



USAID
FROM THE AMERICAN PEOPLE

STUDY OF AGENCY ACQUISITION AND ASSISTANCE FUNCTIONS

November 2012

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ACRONYMS

A&A	Acquisition and Assistance
ACMIS	Acquisition Career Management Information System
ADS	Automated Directives System
AIDAR	Agency for International Development Acquisition Regulations
AAD	Activity Approval Document
AAPD	Acquisition and Assistance Policy Directives
AOR	Agreement Officer Representative
AOTR	Agreement Officer Technical Representative
B/IO	Bureau or Independent Office
BPR	Business Process Review
CAO	Chief Acquisition Officer
CDCS	Country Development Cooperation Strategy
CO	Contracting Officer
COR	Contracting Officer Representative
COTR	Contracting Officer's Technical Representative
DCHA	Bureau for Democracy, Conflict and Humanitarian Assistance
DO	Development Objective
E3	Bureau for Economic Growth, Education and Environment
ePICS	Electronic Procurement and Information Collection System
FAI	Federal Acquisition Institute
FAITS	Federal Acquisition Institute Training System
FAR	Federal Acquisition Regulation
FSN	Foreign Service National
FOG	Fixed Obligation Grant
GAO	Government Accountability Office
GLAAS	Global Acquisition and Assistance System
HELP	Helping to Enhance Livelihood of People around the Globe
IDIQ	Indefinite Demand/Indefinite Quantity Contract
IPRI	Implementation and Procurement Reform Initiative
LMS	Learning Management System
LWA	Leader With Associate award
M/OAA	Bureau for Management Office of Acquisition and Assistance
NGOs	Non-Governmental Organizations
OAA	Office of Acquisition and Assistance
OHR	Office of Human Resources
OFPP	Office of Federal Procurement Policy
OIG	Office of the Inspector General
OMB	Office of Management and Budget
OSDBU	Office of Small and Disadvantaged Business Utilization
PAD	Project Appraisal Document
PALT	Procurement Administrative Lead Time
PDF	Program Description Framework
PDM	Program Design and Management course
PFA	Programming Foreign Assistance course
PFMRAF	Public Financial Management Risk Assessment Framework
PIO	Public International Organization
PMP	Performance Management Plan
PPLT	Procurement Planning Lead Time
SOP	Standard Operating Procedure
SOW	Statement of Work

TEC	Technical Evaluation Committee
USAID	U.S. Agency for International Development
USDH	U.S. Direct Hire employee

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Executive Summary

USAID's Bureau for Management (M) engaged Social Impact (SI) to conduct a meta-study to review and consolidate 20 key documents developed between 2007-2012 that impact USAID's Acquisition and Assistance (A&A) function.

The purpose of this document is to provide USAID's Bureau for Management with a consolidated list of federal policies, recommendations, implementation progress to date and remaining items to address in the following nine focus areas selected by the client:

1. Organizational Structure of the Bureau for Management, Office of Acquisition and Assistance (M/OAA)
2. World-wide staffing needs for Contracting Officers
3. Acquisition and Assistance Planning
4. Procurement Administrative Lead Time (PALT)
5. Training and competency development of USAID staff in procurement and technical offices on procurement functions
6. Standards, guidelines and templates for A&A
7. Risk management in awards including Contract Review Boards and management and accountability of the award process
8. The Agency-wide management of the A&A function
9. Policy Reform related to USAID Implementation and Procurement Reform (IPR)

Methodology

The SI team conducted a broad review of more than 50 documents to identify the most relevant documents that aligned with each of the nine focus areas of the study. Documents included federal procurement policy requirements, past audits, formal and informal studies (both internal and externally conducted) and Agency policy changes, templates and standards. The 20 key documents selected for the study include:

- Three Office of Management and Budget (OMB) memoranda or policy documents
- Training course descriptions from the Federal Acquisition Institute
- Four U.S. Government Accountability Office (GAO) audits
- Congressional testimony on Contracting Oversight
- Two USAID Office of the Inspector General (OIG) audits
- An external review by the Helping to Enhance the Livelihood of People around the Globe (HELP) Commission
- An external assessment of USAID Management Bureau on statutory, mission and customer requirements; and
- USAID Internal Assessments, Plans, Templates, and Agency policy references

The assessment team selected sources based on their identification or description of relevant requirements, recommendations and/or evidence of implementation progress to date. The bibliography of key documents is in Appendix C. The team also conducted key informant interviews with eight key stakeholders, listed in Appendix B. Interviews informed priorities for document selection, and identified and validated implementation progress to date. A limited number of recommendations within priority focus areas were provided by interviewees.

<i>Summary of Recommendations</i>	
Closed Recommendations	21
Open Recommendations	6
Continuous Tasks Recommendations	9
Total – Recommendations Documented from Previous Studies, Audits & Reviews	37
Total – Recommendations Documented from Key Informant Interviews	20
Total Recommendations	57

The study:

- Summarized a total of 57 recommendations:
 - 37 from the document review process, and
 - 20 from the interview process.
- Identified 15 actions, drawn from the recommendations from prior studies, which have not yet been addressed or require continuing effort. Six remaining recommendations are open; nine are continuing tasks such as recruitment.
- Revealed that, to date, 56 actions have been taken to address recommendations. However, a one-to-one correspondence cannot be attributed against recommendations.

Findings

The study prioritized five tasks that must be completed for an effective A&A function at USAID.

1. Obtain approval from the Administrator and OHR on new M/OAA Organizational Structure and implement new structure.
2. Increase understanding Agency-wide of the A&A Function as well as A&A Staff Roles, and create an Agency culture that emphasizes joint management of the A&A process.
3. Intensify hiring and retention of COs, particularly for Critical Priority Countries, as an Agency priority.
4. Align all new programming policies and policy updates with A&A processes. Policy papers must consider and be tied to Agency operations.
5. Clarify and support the development of “contract-able” SOWs that enable both results and flexibility.

Introduction

USAID's Bureau for Management engaged Social Impact to conduct a meta-study to review and consolidate 20 key documents developed between 2007-2012¹ that impact USAID's Acquisition and Assistance function. The assessment team selected sources based on their identification or description of relevant requirements, recommendations and/or evidence of implementation progress to date. Documents included federal procurement policy requirements, past audits, formal and informal studies (both internal and externally conducted) and Agency policy changes, templates and standards.

The purpose of this document is to provide USAID's Bureau for Management with a consolidated list of federal policies, recommendations, implementation progress to date and remaining items to address in the following nine focus areas selected by the client:

1. Organizational Structure of M/OAA
2. World-wide staffing needs for Contracting Officers
3. Acquisition and Assistance Planning
4. Procurement Administrative Lead Time
5. Training and competency development of USAID staff in procurement and technical offices on procurement functions
6. Standards, guidelines and templates for A&A
7. Risk management in awards including Contract Review Boards and management and accountability of the award process
8. The agency-wide management of the A&A function
9. Policy Reform to implement IPR

For each focus area, this document identifies:

- Government-wide policies impacting USAID: These include relevant government policy that was established during 2007–2012.
- Recommendations: Provides a summary of all recommendations uncovered through the document review process and interviews with key stakeholders. Recommendations from studies are noted with a source of the studies or documents reviewed. Recommendations from key informants were identified during interviews and are noted separately.
- Implementation Progress to Date: Identifies all actions taken to address recommendations based on the document review process and interviews with key stakeholders.
- Actions Remaining: Identifies the recommendations from previous studies that have not yet been addressed or are continuing requirements.

¹ Documents from 2005, which are current Acquisitions Workforce directives, were included in the study.
Study of Agency Acquisition and Assistance Function

Key Findings: High priority tasks that must be completed for M/OAA to effectively lead the A&A Function at USAID

Based on the document review, interviews with key stakeholders, and assessment team observations, it is important that the following priority items are addressed in order for M/OAA to effectively lead the A&A function at USAID:

1. Obtain approval from the Administrator and OHR on new M/OAA Organizational Structure.
 - a. The delay in approval is impacting the ability to proceed with new initiatives/programs, as well as recruit and train new staff – both of which are also priority actions.
2. Increase understanding Agency-wide of the A&A Function as well as A&A Staff Roles, and create an agency culture that emphasizes joint management of the A&A process.
 - a. Implement this socialization process from the top down, including, for example, briefings for all new and returning Assistant Administrators and senior staff.
 - b. Initiate culture change activities throughout USAID to build support for the A&A function, including: content in staff orientation and training programs; Technical Office leadership support for acknowledging the work of contracting personnel and the imperative of technical-A&A collaboration; and joint Development Objective and project design teams.
 - c. Implement and market the rotational exchange program – garner buy-in from Technical and Regional Bureau AAs to encourage participation of staff in rotating through M/OAA and work with OHR to develop sample AEF objectives to facilitate recognition for these rotations. These short rotations of two weeks to two months would help M/OAA staff to build collaborative relationships, obtain a greater understanding of their client needs and programs, and get involved early on in the planning process. M/OAA would also host short rotations from client offices. The short duration of these on-the-job training opportunities would build cross-agency understanding without undermining required specialization.
 - d. Update ADS policy to include information on the rationale for, and benefits and means of, involving A&A staff in technical planning processes. Include sample multi-disciplinary Team Charters as Help Documents.
 - e. Require all USAID staff to take training on A&A, including the roles and responsibilities of CO/AOs and CORs/AORs.
3. Intensify Hiring and Retention of COs, particularly for Critical Priority Countries, as an Agency priority.
 - a. Communicate the importance from Senior Leadership to Agency staff of this priority and issue an Agency Notice describing near-term actions to increase recruitment and retention.
 - b. Investigate any impediments to Foreign Service promotion into Senior Foreign Service for Contracting Officers staying within technical specialization, and take steps to eliminate them.
4. Align all new programming policies and policy updates with A&A processes.
 - a. Work with PPL during the policy development and revision process to identify specific implications for and impacts on A&A. For example, the Evaluation Policy requires program managers to complete an evaluation of the implementation mechanisms used and contracting officers to contract for more external evaluations.

The staffing implications for both program staff and M/OAA staff must be considered prior to release of new policies.

5. Clarify and support the development of “contract-able” SOWs that enable both results and flexibility.
 - a. Require all USAID technical officers to take focused training on “Developing a Contract-able SOW.”
 - b. Identify, annotate, and disseminate best-practice examples of good SOWs with specific content highlighted and explained as exemplary elements.

I. Organizational Structure of M/OAA

Government-wide Policies Impacting USAID

Three important U.S. Government directives included in the assessment bibliography mandate specific organizational changes in M/OAA. In May 2008, The Office of Management and Budget issued Circular A-123, Management's Responsibility for Internal Control, "Guidelines for Assessing the Acquisition Function." The guidelines require agencies to integrate their assessment efforts with existing agency internal control processes and practices to ensure the coordinated establishment, assessment and correction of internal controls for acquisition².

The President's Memorandum on Government Contracting, issued on March 4, 2009, calls on federal agencies to improve the effectiveness of their acquisition practices and the results achieved by their contracts. The Memorandum issued by OMB on July 29, 2009 provides guidance to Heads of Departments and Agencies on reviewing existing contracts and acquisition practices. It encourages agencies to find savings through the strengthening of the acquisition workforce, including:

- Analyzing whether the current organizational structure is sufficient to achieve a high performance level; and
- Restructuring acquisition workflows to improve efficiency and free up acquisition workforce time for more strategic activities.³

Recommendations from Studies

1. Restructure M/OAA in a manner that improves efficiency.⁴
2. Hire dedicated cost and price specialists in M/OAA.⁵
3. M/OAA would benefit by naming a political appointee as the Chief Acquisition Officer.⁶
4. The Evaluation Division within M/OAA needs both additional staff and/or must be restructured to strategically manage accountability and compliance functions.⁷
5. Enact a holistic approach to talent management. This includes not only recruitment and retention, but also certification, training and competency development.⁸ These should be

² USAID, Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control.

³ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

⁴ USAID, Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control.

⁵ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2012, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁶ USAID, Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control.

⁷ Ibid.

managed and administered holistically as part of the Agency's Acquisition Career Management Program – a requirement in the OFPP-published Policy Letter 05-01.⁹

Recommendations from Key Informant Interviews

1. Consider whether establishing a Senior Deputy from one of the three current Deputy Director positions would lead to increased efficiencies.¹⁰

Implementation Progress to Date

1. M/OAA developed a plan to restructure the office in a manner that disaggregates multifunctional offices and allows focused oversight for functional responsibilities.¹¹ Under this plan, M/OAA:
 - a. Established the Compliance Division within M/OAA in February 2011 to serve as the central repository for any and all referrals of administrative actions, including suspension and debarment actions. In just one year the Division issued 102 administrative actions and recovered nearly \$1 million, compared to the eight (8) administrative actions issued between FY 2003 and FY 2007.¹²
 - b. Establish the Special Initiates and Development Partners Division (M/OAA/SIDP) to provide acquisition and assistance services for the Office of the Administrator and the Office of Innovation and Development Alliances.
 - c. Establish the Food Security Division (M/OAA/FS) to provide acquisition and assistance services for the Bureau for Food Security.
 - d. Established the Professional Development and Training Division (M/OAA/PDT) to serve as the principle organization responsible for ensuring M/OAA is collaborating with the USAID's training quality assurance council. This Division will also maintain the training catalog in LMS and with FAI, provide information for the A&A toolkit, represent the Agency in interagency meetings and develop a cadre of internal trainers. Additionally, the division will manage the new peer-to-peer mentoring, coaching, and telework functions for M/OAA¹³. Employees and their supervisors are surveyed about the impacts and results of training in order to link training to individual development plans and performance evaluations.
2. Developed a new team within M/OAA to serve as dedicated cost and price analysts to provide surge capacity and additional analytic capability to Contracting Officers around the world. The unit specifically focuses on providing data and analysis for high-level procurements, including those within a contingency operation as needed. The new team is deployed to:

⁸ , Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁹ Federal Acquisition Institute, <http://www.fai.gov/drupal/node/48>, November 20, 2012.

¹⁰ Key Informant Interview, November 27, 2012.

¹¹ USAID, Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control.

¹² Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

¹³ M/OAA Proposed Functional Statements for 3 New Divisions.

- a. Review and analyze cost and price data in contractor/subcontractor and recipient/sub-recipient proposals as required for field and Washington, D.C. procurements.
 - b. Liaise, coordinate, and participate in Contractor Purchase System Reviews;
 - c. Review advance and progress payments.
 - d. Conduct pre-award audits and/or surveys as needed.
 - e. Review and/or assist with market surveys at project design stage and prior to exercising contract option periods.¹⁴
3. USAID Leadership believes that a career official, as opposed to a political appointee, is best positioned to effectively carry out the relevant duties of a Chief Acquisition Officer (CAO). This Senior Foreign Service career designation affords the institutional expertise, overseas experience, and organizational continuity necessary and crucial for the position.¹⁵ Further, USAID is not required by law¹⁶ to have a Chief Acquisition Officer.

Actions Remaining

1. Until Office of Human Resources approves the new M/OAA organizational structure, the Office lacks the authority to proceed with new directives and hire adequate staff in the positions needed to implement new directives.

¹⁴ Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

¹⁵ Ibid.

¹⁶ The Services Acquisition Reform Act of 2003 (SARA) requires 16 federal civilian agencies to establish the non-career position of a Chief Acquisition Officer (CAO) to advise and assist agency leadership to help ensure that the agency's mission is achieved through the management of its acquisition activities. USAID is not one of the 16 SARA agencies.

II. Worldwide Staffing Needs for Contracting Officers

Government-wide Policies Impacting USAID

Per OMB Improving Government Acquisition Guidance, Agencies should analyze whether the current size, skill-level, and organizational structure of their acquisition workforces are sufficient to achieve a high performance level. As appropriate, Agencies should develop plans to increase the size of their acquisition workforce.¹⁷

The OMB Acquisition Workforce Development Strategic Plan for Civilian Agencies provides a strategic approach to improve both the capacity and capability of the civilian acquisition workforce across the federal government. Specifically, the plan establishes the need for workforce growth and a comprehensive annual workforce planning process to be managed by OFPP, in consultation with OPM, through FY 2014.¹⁸

Recommendations from Studies

1. Increase staffing of COs to ensure that there are an adequate number of government employees to carry out the core mission of the Agency and improve contract administration and oversight.¹⁹
 - a. Improve recruitment efforts for COs.²⁰
 - b. Increase retention of trained, experienced COs.²¹
2. Develop a documented, comprehensive implementation plan to execute USAID's initiative for the hiring of new Foreign Service officers under the Development Leadership Initiative that includes targets for specific occupational categories and a process for determining the number, location, and time frames for additional newly hired trainee staff assigned to each overseas mission.²²
3. Develop a workforce data system to consistently collect, maintain, and analyze sufficiently reliable and up-to-date data on the staff levels and competencies, of direct hire and non-direct hire staff, including institutional support contractors.²³
4. Accept mid-career hires, unpaid sabbaticals, and other flexible employment practices, including granting employees the option to leave the Agency and then return.²⁴

¹⁷ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

¹⁸ Deputy Administrator Lesley A Field to Chief Acquisition Officers, Senior Procurement Executives, Chief Financial Officers and Chief Human Capital Officers, October 27, 2009, Executive Office of the President, Office of Management and Budget, Acquisition Workforce Development Strategic Plan for Civilian Agencies – FY 2010-2014.

¹⁹ , Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

²⁰ Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*.

²¹ Federal Management Partners, Inc., USAID Management Bureau Assessment Recommendation Report, March 2008

²² USAID Needs to Improve Its Strategic Planning to Address Current and Future Workforce Needs, GAO-10-496, Jun 30, 2010.

²³ USAID Acquisition and Assistance, Challenges Remain in Developing and Implementing a Strategic Workforce Plan GAO-09-607T, Apr 28, 2009.

Recommendations from Key Informant Interviews

1. Identify possible solutions for staffing CO's in Critical Priority Countries which is likely to become a major issue in 2013/2014.²⁵

Implementation Progress to Date

1. Increased resources devoted to recruitment efforts.
 - a. Funded one Human Resources Specialist and contracted one Human Resources Specialist dedicated to facilitating recruitment efforts for M/OAA.²⁶
2. Improved recruitment tactics.
 - a. Worked with OHR to learn the intricacies of, and constraints upon, use of multiple authorities for recruitment of personnel, including direct hire authority.
 - b. Improved used of recruitment/retention incentives.
 - c. Redesigned vacancy announcements to reflect the most needed skills and abilities.
 - d. Pursued recruitment at conferences such as National Contract Management Association and Minority Conferences.²⁷
3. Continued recruitment of employees to increase staff for filling positions for the strategic management of acquisition functions.²⁸
4. Development of plans to increase workforce.
 - a. USAID developed its first annual Acquisition Human Capital Plan in 2010, which identified specific strategies and goals for increasing both the capacity and capability of the workforce through FY2014.²⁹
 - b. M/OAA developed implementation plan for overseas staffing requirements, including the Development Leadership Initiative.³⁰
5. Regularly assess staffing and workload data as part of a continuing effort to balance workload with resources.

²⁴ Helping to Enhance the Livelihood of People around the Globe (HELP) Commission Report, December 7, 2007.

²⁵ Key Informant Interview, November 27, 2012.

²⁶ Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

³⁰ Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*.

- a. M/OAA developed a database and launched an initiative to collect information on CO levels staffing levels at each mission, including competency and warrant information³¹
- b. The Agency LMS system captures information on competencies based on courses completed³²
- c. Per ADS 201.3.3.6, the Country Development Cooperation Strategy includes a Management Requirements section, which allows the Mission to identify anticipated staffing requirements over the life of the CDCS, including USDH by backstop, as well as Personal Services Contractors and Foreign Service Nationals needed to implement the DO-supporting programs. If the Management Requirements section is properly and consistently implemented, the Agency will be able to use the CDCS to help realign the workforce to support emerging priorities and initiatives.

Actions Remaining

1. Ongoing recruitment to fill remaining vacancies.³³
2. Increase retention rate of existing COs.
 - a. Reduce the workload of COs by distributing the work among more staff.
 - b. Consider retention bonuses.
 - c. Continue to consider long-term training opportunities, such as Defense Acquisition University or other sabbaticals and Leave without Pay (LWOP) options.
 - d. Consider making changes to the promotion patterns and rules, especially for Foreign Service Officers.³⁴
 - e. Increase support for COs from Agency Leadership, i.e., recognize and support the critical role of COs and all A&A staff.
 - f. Continue to integrate COs in the planning process when possible³⁵

³¹ Key Informant Interview, November 27, 2012.

³² Ibid.

³³ Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*.

³⁴ Key Informant Interview, November 27, 2012.

³⁵ Ibid.

III. Acquisition and Assistance Planning

Government-wide Policies Impacting USAID

Part seven of the Federal Acquisition Regulation (FAR) lists requirements for acquisition plans. In addition, the President's Memorandum on Government Contracting, issued on March 4, 2009, calls on federal agencies to improve the effectiveness of their acquisition practices and the results achieved by their contracts. The Memorandum issued by OMB on July 29, 2009 provides guidance to Heads of Departments and Agencies on reviewing existing contracts and acquisition practices. Agencies are encouraged to find savings through the implementation of more effective acquisition practices, including:

- Enhancing upfront planning to align program requirements and acquisition strategies as well as to make sure acquisition requirements are clearly specified;
- Increasing the amount of attention paid to market analysis, cost estimates, and choice of contract types and incentives; and
- Increasing the amount of attention paid early in the acquisition process to ensure sufficient internal capacity is in place or will be in place to effectively manage the contract.³⁶

Recommendations from Studies

1. Standardize and improve management of A&A Planning across the Agency
 - a. Adopt mindset that A&A planning begins 1.5-2 years in advance.
 - b. Understand and communicate estimated timelines for Procurement Planning Lead Time (PPLT) for a more complete measure of procurement process efficiency.
 - c. Adopt the use of GLAAS Advance Procurement Plan module (APP) as a mandatory part of the end-to-end process of completing an award.
 - d. Expand the scope of the GLAAS Milestone Plan (MP) to include PPLT, to ensure plans are followed.³⁷
2. Collect information about the time frames needed for pre-solicitation acquisition planning activities to establish time frames for when program officials should begin acquisition planning³⁸.
3. Establish requirements specifying dollar thresholds for when written plans should be developed, documented, and approved.³⁹
4. Establish standard acquisition plan formats that align with the FAR.⁴⁰
5. Increase the amount of attention paid to market analysis, cost estimates, and choice of contract types and incentives.⁴¹

³⁶ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

³⁷ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

³⁸ Opportunities to Build Strong Foundations for Better Services Contracts, GAO-11-672, Aug 9, 2011.

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

Recommendations from Key Informant Interviews

1. Improve collaboration and communication between technical offices and M/OAA in the A&A planning process.

Implementation Progress to Date

1. The Bureau for Management (M/MPBP and M/OAA) developed in November 2011 the Agency A&A Planning tool to enable the Agency to bring together business intelligence information from a variety of sources into one location so it can be reviewed, analyzed, presented and visualized in a number of ways. Operating units, both in Washington as well as the field Missions, are called on to list all actions over \$150K in total estimated cost. As a result, USAID is now able to plan at the Agency-level its A&A portfolio and to meet FAR and other requirements for procurement planning. The tool is located at <http://blogs.usaid.gov/aaplan/>. The existing A&A Plan uses Google docs rather than the recommended GLAAS APP module, which was not able to link planning to budget. Currently, the Bureau for Management is exploring systems options for the long-term, including connecting the tool to existing Agency systems including Phoenix and GLAAS.⁴²
2. M/MPBP and M/OAA have collaborated in developing guidance on Agency A&A Planning that will establish a specific dollar threshold for requiring written individual acquisition plans, as required by the FAR. It also provides more detailed policy on the Agency A&A Planning tool, including more detail on role and responsibilities, and details on Procurement Administrative Lead Time (PALT) milestones and A&A templates for both program/technical officers and A&A professionals. This guidance, which will be published as the new ADS 300, is expected to be finalized by early 2013.
3. In May 2012, M/OAA began the delivery of a large-scale acquisition and assistance training class for Mission Directors and Deputy Mission Directors (non-M/OAA staff) who are responsible for the planning and execution of specific overseas programs via contracts or grants. This executive course will help senior staff to be more accountable for the types of awards made in contingencies, as well as in non-contingency situations.⁴³
4. Effective October 2012, USAID program officials are required to inform contracting officials of key planning dates, such as when the statement of work and cost estimate will be provided, so that the contracting officials can capture these dates in the acquisition data system to be incorporated in procurement lead times.⁴⁴ This was communicated to USAID staff through the USAID Agency General Notice “Instructions for Preparing the Acquisition and Assistance (A&A) Plan for 2013.”⁴⁵
5. USAID issued ADS 201 policy to strengthen A&A planning in overseas operating units, consisting of:

⁴² Key Informant Interview, November 27, 2012.

⁴³ Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

⁴⁴ Opportunities to Build Strong Foundations for Better Services Contracts, GAO-11-672, Aug 9, 2011.

⁴⁵ USAID Agency General Notice “Instructions for Preparing the Acquisition and Assistance (A&A) Plan for 2013,” October 19, 2012.

- a. Including appropriate representation from key support functions as needed on the project design team, including representation from the USAID/W of Mission Office of Acquisition and Assistance (201.3.9.1). Of note, ADS 202 also encourages multi-disciplinary Development Objective (DO) Teams, including representation from the Office of Acquisition and Assistance, to improve planning and management (202.3.2 – 202.3.3.2).
 - b. Requiring an Implementation Plan, as well as an A&A Strategy, as part of the Project Appraisal Document (PAD). The Implementation Plan should be time-phased and define important implementation actions and decision points by time over the life of the project. A sub-set of the overall implementation plan is the A&A Strategy, which identifies all significant procurement actions and their associated development, implementation and close-out activities. The A&A Strategy should also describe and justify the choice of instruments, with the team working with the CO to determine if there is a need for any special approvals or waivers linked to procurement. The A&A Strategy should identify acquisition and assistance awards requiring the preparation of an “Individual Acquisition and Assistance Plan” to address FAR Part 7 requirements (201.3.9.4).
 - c. Project Authorization now includes required clearance from the CO, ensuring that M/OAA staff is informed of the Acquisition Planning Process conducted by the DO Team (201.3.9.5).
6. USAID strengthened the content of the COR/AOR Certification course, including a lesson on Market Research and Defining Government Requirements. The Defining Government Requirements lesson includes SOW/PDF development, evaluation factors and independent government cost estimate.
 7. The Agency continues to offer the Programming Foreign Assistance (PFA) and Project Design and Management (PDM) courses, in which technical and A&A staff participate together to build esprit de corps and understand complementary roles and responsibilities in A&A planning and administration. PDM includes developing effective Statement of Work and Program Description Framework content; PFA includes a lengthy session on the roles and responsibilities of COR/AORs.

Actions Remaining

1. M/OAA has been working with client offices to increase communication and procurement planning using the A&A Plan tool. It will further develop and apply existing policy to strengthen A&A planning in Washington bureaus. Current policy in ADS 201 is mandatory for overseas operating units; Washington operating units may apply those elements that they find relevant and helpful.
 - a. Emphasize the importance and encourage the practice of interdisciplinary Development Objective teams (including representation from key support functions such as A&A) in both Washington and overseas operating units, as prescribed in Agency Policy.

- b. Include language in the ADS that explains the benefit of including A&A staff in the planning process, how they can be involved and why they should be involved.⁴⁶
- c. A&A participation in the planning process will assist the CO in understanding what he/she is buying, and will help the technical team develop better SOW's/PDF's.
- d. Use information from A&A planning processes to increase optimal use M/OAA staff.

⁴⁶ Key Informant Interview, November 27, 2012.

IV. Procurement Administrative Lead Time (PALT)

For the purposes of this report, Procurement Administrative Lead Time begins when a contractible SOW is accepted by the CO and ends when an award is made.

Recommendations from Studies

1. Adopt the use of GLAAS Advance Procurement Plan module as a mandatory part of the end-to-end process of completing an award.⁴⁷
2. Expand the scope of the GLAAS Milestone Plan to include Procurement Administrative Lead Time to ensure that plans are followed.⁴⁸
3. Monitor the actual PALT for awards to track progress on improving PALT.⁴⁹

Recommendations from Key Informant Interviews

1. Establish clearly defined (e.g., working days vs. calendar days) acceptable PALTs for the various types of awards made by USAID and communicate these to all Agency staff.
2. Increase understanding of non-M/OAA staff on PALT and reasons for delays in procurement actions.
3. Create a culture and requirement of joint management of activities impacting PALT:
 - a. Formalize the process.
 - b. Change mindset that the process is managed only by the CO/AO.
 - c. Increase understanding of technical staff of their role in managing PALT and how their actions impact PALT.
 - d. Require a team charter to be developed and signed during the source selection process that identifies the timeline and each participant's commitment to it. Use GLAAS to track PALT throughout the process.

Implementation Progress to Date

1. M/OAA implemented the use of GLAAS Milestone Plans, which monitors PALT⁵⁰.
 - a. PALT can now be monitored by the CO and technical team members.
 - b. Developed a process for the monitoring of PALT by M/OAA Division Chiefs and Branch Chiefs.
2. USAID tracked PALT data trends for FY 2009 – FY 2012.⁵¹

⁴⁷ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁴⁸ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁴⁹ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁵⁰ Key Informant Interview November 27, 2012.

⁵¹ Key Informant Interview, November 27, 2012.

3. M/OAA developed clearly defined PALT guidelines that identify the maximum acceptable timelines for different types of awards.⁵²
4. USAID's agency A&A Plan tracks milestones and lists PALT milestones for major actions. Also, revisions to ADS 300 expected in early 2013 will detail PALT milestones for the first time in published Agency policy.

Actions Remaining

1. PALT should continue to be monitored, the information explained to and used by A&A staff throughout the Agency. Now that systems have been put in place to track and use PALT data, the data must be used to see improved results.

⁵² Key Informant Interview, November 27, 2012.

V. Training and Competency Development of USAID Staff in Procurement and of Technical Offices on Procurement Functions

Government-wide Policies Impacting USAID

There are three key government-wide policies that have a direct impact on training and competency development of USAID staff in procurement and of technical offices in particular on the procurement function. The Office of Federal Procurement Policy Letter 05-01 established new training requirements for the entire civilian acquisition workforce and new certifications in targeted acquisition career fields. It mandates the workforce's use of a federally based training database, ACMIS. The policy letter also established a new position, Acquisition Career Manager (ACM), at each agency, to monitor and manage the training and certification of the acquisition workforce within their agency.⁵³

OMB Memo 06-01 established the requirements and guidance for the Federal Acquisition Certification in Contracting (FAC-C), which is a federally recognized program for the acquisition workforce that sets forth the required training, experience and education for certification of contracting professionals.⁵⁴

OMB's Acquisition Workforce Strategic Plan FY 2010 – 2014 provides a strategic approach to improve both the capacity and capability of the civilian acquisition workforce. Specifically, the plan establishes a blueprint for increasing the use of intern programs and other training and development initiatives.⁵⁵

Recommendations from Studies

1. Comply with Federal Acquisition Certification requirements:
 - a. Ensure FAC competency development includes a rapid assessment to fully utilize training slots USAID has been allocated by the Federal Acquisition Institute for FY2011;
 - b. Expand USAID's COR/AOR training course to deepen the curriculum especially in statement of work development, independent government estimates, and proposal evaluation⁵⁶; and
 - c. Apply FAC-Program and Project Managers (P/PM) certification requirement to only program and project managers that manage Capital Assets as defined in OMB Circular A-11, Part 7, Exhibit 300.⁵⁷

⁵³ Administrator David H. Safavian to The Heads of Civilian Executive Departments and Agencies, April 15, 2005, , Executive Office of the President, Office of Management and Budget, Developing and Managing the Acquisition Workforce.

⁵⁴ Federal Acquisition Institute, <http://www.fai.gov/drupal/node/48> , November 20, 2012.

⁵⁵ Deputy Administrator Lesley A Field to Chief Acquisition Officers, Senior Procurement Executives, Chief Financial Officers and Chief Human Capital Officers, October 27, 2009, Executive Office of the President, Office of Management and Budget, Acquisition Workforce Development Strategic Plan for Civilian Agencies FY 2010-2014.

⁵⁶ Federal Management Partners, Inc., USAID Management Bureau Assessment Recommendation Report, March 2008.

⁵⁷ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

2. Develop a Competency Management system and a Learning Management System (as required by OFPP/OMB) to improve staff competency information, including tracking overseas A&A staff.⁵⁸
3. Continue to value and invest in developing the acquisitions workforce.⁵⁹
4. Actively implement M/OAA's pilot Mentoring and Rotation Exchange Programs and develop a similar mentoring program for COR/AOR's to supplement formal training⁶⁰.
5. Improve contract administration and oversight:⁶¹
 - a. Provide sufficient training to acquisition personnel on how to manage supplier/awardee relationships.
6. Develop and implement policy that clearly outlines who can be designated as an AOR and defines the roles and responsibilities of the AORs.⁶²

Recommendations from Key Informant Interviews

1. To help drive greater collaboration and recognition among all USAID staff that the "A&A workforce" is in fact, Agency-wide, consider making the PFA course or a similar introductory course that includes basic Acquisition and Assistance content a requirement for all USAID staff to help build basic A&A knowledge.⁶³
2. Consider offering and/or requiring more joint training to help strengthen collaboration between technical and A&A personnel and thereby reduce the number of poor SOWs, the PALT, etc. More participation from COs in Programming Foreign Assistance as well as COR/AOR certification courses is one example of possible joint training opportunities.

Implementation Progress to Date

1. USAID Policy:
 - a. USAID Policy, as codified in ADS 458.3.4.2 Specific Training Programs or Courses, provides details on the Office of Federal Procurement Policy's (OFPP) requirements for contracting professionals. This includes the classroom-based training and continuous learning requirements for COR/AOR certification (40 hours biennially) as well as training and experience requirements for Federal Acquisition and Certification for Program and Project Managers.
 - b. In addition, USAID Programming Policy (202.3.4.3) references the training and certification requirements, as mandated by OFPP, that must be met prior to

⁵⁸ USAID Acquisition and Assistance, Challenges Remain in Developing and Implementing a Strategic Workforce Plan GAO-09-607T, Apr 28, 2009.

⁵⁹ USAID, Bureau for Management, Office of Acquisition and Assistance, November 30, 2010, Assessing the Acquisition Function under the Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control.

⁶⁰ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁶¹ Contingency Contracting: Observations on Actions Needed to Address Systemic Challenges, GAO-11-580, April 25, 2011.

⁶² Inspector General Audit of the Management of Grants Awarded by USAID's Office of American Schools and Hospitals Abroad, Report No. 9-000-12-002-P, March 19, 2012.

⁶³ Key Informant Interview, November 27, 2012.

nominating and designating an individual to serve as the COR/AOR. In addition, it also references specific policy directives and M/OAA's internal website for more detailed discussion of COR/AOR responsibilities.

2. Training Opportunities Developed:

- a. Classroom and Online Training Courses developed for Agency staff involved in Procurement Functions
 - i. Programming Foreign Assistance (PFA): an overview course of the ADS 200 series that includes lessons on Acquisition and Assistance as well as COR/AOR and Project/Activity Manager Responsibilities. These lessons establish baseline knowledge for all USAID employees. In addition, PFA emphasizes the benefits of multidisciplinary Development Objective teams involving both technical and A&A experts, in order to front-load A&A planning throughout the life of the DO. This is a prerequisite course for both the COR/AOR and PDM courses.
 - ii. Project Design and Management (PDM): a skills-based 10-day course on project design and management, project implementation, and performance monitoring and evaluation. This course includes training on developing effective Statement of Work and Program Description Framework.
 - iii. Acquisition and Assistance Management for CORs/AORs: Provides USAID staff with the essential competencies and skills needed to effectively carry out the role of an Agency COR/AOR. This required two-week certification course focuses on contract and grant/cooperative agreement guidelines, the role and responsibilities of the COR/AOR, and the impact of decisions made in the acquisition and assistance environment on Agency results and USAID's development mission. It includes a lesson on Defining Government Requirements, consisting of SOW/PDF development, evaluation factors and independent government cost estimate. The course was recently updated to include key information relevant to new Agency guidelines and policy, including new initiatives under Implementation and Procurement Reform such as Fixed Obligation Grants.
 - iv. Enhanced COR/AOR Skills Course: This highly interactive course provides opportunities to practice and apply skills in the areas of effective award management, performance management, and defining Government requirements. This course fulfills the biennial 40-hour continuing education FAC-COR requirement.
 - v. Online "A&A Primer" training module, a prerequisite for Acquisition and Assistance Management for CORs/AORs.
 - vi. Online COR/AOR Continuing Education Courses: USAID-specific on-line courses to fulfill the OFPP required continuing education requirement. To date there are more than 30+ courses.⁶⁴

⁶⁴ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

- vii. Acquisition and Assistance Seminar for Executives: One-day seminar for executives in senior leadership roles that addresses the increasingly critical and highly visible areas of USAID's acquisition and assistance process. The goal of the seminar is to better prepare Agency executives for their respective roles in the management of the A&A business process.
 - viii. Acquisition and Assistance for COR/AOR Supervisors: Two-day seminar that examines the multiple facets of the COR/AOR and COR/AOR supervisor relationship.⁶⁵
 - ix. Small Business Programs one-day training class that provides USAID professionals involved in the acquisitions process with a better understanding of USAID's Small Business participation programs and goals.
 - x. USAID Evaluation training aligned with the new Evaluation Policy's requirements for external, third party evaluations includes a module on "Designing an Evaluation Statement of Work."⁶⁶
 - b. M/OAA developed and is offering the following classroom-based courses under the procurement improvement initiative. Approximately 27-28 deliveries have occurred to date. In addition, e-learning components for each course are currently under consideration. Participant and supervisor surveys indicate that the courses are having a positive impact; in future M/OAA plans to tie survey feedback to performance evaluation.
 - i. A&A Bootcamp: SOW writing course for A&A and technical staff (joint).
 - ii. Basic Assistance: 2 week course for A&A staff.
 - iii. Basic Acquisition: for A&A staff.
 - iv. Cost and Price Analysis: for A&A staff.
 - v. PSC (updated/changed the course): A&A staff, EXO staff.
 - vi. Close-out (more of a workshop): joint session.
 - vii. Source Selection Workshop: joint session.
 - viii. Fixed Price: currently under development, will be a joint session.⁶⁷
 - c. Worldwide Conferences/Training for A&A Staff
 - i. In December 2011 M/OAA held a worldwide conference for all GS 1102 and BS93 Contracting Professionals and 84 Mission FSNs to address the current environment and expectations of accountability, compliance and transparency and new ways of doing business.
 - ii. On-going GLAAS Training offered to staff.
 - o All Missions have staff trained in GLAAS.
 - o New COR/AOR certification requirement to complete GLAAS 101 Requesting Course.
3. Mentoring and Rotation Exchange Programs
- a. Mentoring Committee formed after the M/OAA Operations Retreat in October 2009.
 - b. Designed an action plan for a M/OAA Pilot Mentoring Program

⁶⁵ USAID Automated Directives System, 400 Series, November 16, 2012.

⁶⁶ <http://inside.usaid.gov/HR/university>, November 16, 2012.

⁶⁷ Key Informant Interview, November 27, 2012.

- c. Survey conducted in January 2010 to seek interests and views on program.⁶⁸
 - d. Launched a new peer-to-peer mentoring and coaching program in M/OAA.
4. Process and Systems to Track Competency Requirements of Staff
- a. Identified the USAID Acquisition Career Manager (ACM) – Aman Djahanbani.⁶⁹
 - b. USAID is preparing to issue instructions to M/OAA staff and COR/AOR's on how to register with the Federal Acquisition Institute Training System (FAITS). FAITS replaces ACMIS.⁷⁰
 - c. The application of FAC-C Course participants' application of the corresponding subject matter is being tracked through the LMS system. Ninety days after the completion of the course, the participants' supervisor is required to respond to a survey in LMS that addresses the participants' application of the competencies addressed in the course.⁷¹
 - d. USAID has initiated a multi-functional Learning Management System that has produced a virtual USAID University, complete with competency management and career development features, as well as a multitude of e-learning options.⁷² USAID hopes to have the system completely operational by fiscal year 2013.⁷³
 - a. As of June 2012, competency assessments have been completed for some USAID staff, but the system has not been implemented.⁷⁴

Actions Remaining

- 1. Until Office of Human Resources approves the new M/OAA organizational structure, the Office lacks the authority to move forward with the rotation exchange program, which will provide opportunities for both A&A and technical staff to exchange positions for a specified time period within USAID. The mentoring program is also on-hold until the organizational structure is approved. This program will be for all M/OAA staff throughout the world. The model for M/OAA Washington staff has been developed; the worldwide M/OAA staff will follow the same model.⁷⁵
- 2. Continue to utilize, to the greatest extent possible, the training slots allocated to USAID by the Federal Acquisition Institute.
- 3. Continue to update and revise the content of training curricula as appropriate when new guidance and policy is developed and to address the remaining challenges.
 - Although training in the development of SOW/PDF has been incorporated into the COR/AOR and Evaluation trainings and is addressed in the PDM training course, this remains a challenge. CO/AOs are not receiving high quality, contractible SOWs.

⁶⁸ Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁶⁹ Key Informant Interview, November 27, 2012.

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² USAID Human Capital Strategic Plan, 2009-2013.

⁷³ USAID Needs to Improve Its Strategic Planning to Address Current and Future Workforce Needs, GAO-10-496, June 30, 2010.

⁷⁴ USAID Acquisition and Assistance, Actions Needed to Develop and Implement a Strategic Workforce Plan, GAO-08-1059, Sep 26, 2008.

⁷⁵ Key Informant Interview, November 27, 2012.

- Although there has been an increase in the amount of training offered to M/OAA staff and non-M/OAA staff involved in procurement functions, there is still a skill-gap based on lack of experience. Hands-on experience with the different types of A&A instruments as well as the different administration associated with each is required for full competency.
4. Implement the Competency Management System and complete competency assessments for all USAID staff. USAID plans to complete and disseminate annual competency assessments to all staff, including overseas A&A staff, by 2013.⁷⁶

⁷⁶ USAID Acquisition and Assistance, Actions Needed to Develop and Implement a Strategic Workforce Plan, GAO-08-1059, Sep 26, 2008.

VI. Standards, Guidelines and Templates for A&A

Government-wide Policies Impacting USAID

In addition to Agency policy contained in the ADS 300 series, procurement at USAID is regulated by the following federal primary sources:

- Federal Acquisition Regulations (FAR);
- 22 Code of Federal Regulations 226; and
- The Office of Management and Budget Memoranda and Circulars (e.g. A-110, A-133).

Recommendations from Studies

1. Develop standards and guidance:
 - a. Establish standard acquisition plan formats that align with the FAR.⁷⁷
 - b. Develop templates and guidance to help program officials prepare reliable cost estimates.⁷⁸
 - c. Ensure that Agency and component guidance clearly define the role of estimating costs and incorporating lessons learned in acquisition planning, as well as specific requirements for what should be included in documenting these elements in the contract file.⁷⁹
 - d. Establish clear standard operating procedures in ADS Sections 302 and 303 in compliance with Federal statutes and regulations.⁸⁰
 - e. For A&A process elements, such as:
 - Statements of Work;
 - TEC Panel Instructions and TEC Memo;
 - Competitive Range Memo; and
 - CRB Review Checklist.⁸¹

Recommendations from Key Informant Interviews

1. Increase awareness and adoption of new procedures by M/OAA staff.
2. Establish a direct linkage between ADS 201 and ADS 302 and 303 (i.e., linking the technical planning processes with the acquisition and assistance planning requirements.)
3. Closely manage the amount and use of templates.
4. Improve contract-ability of SOWs developed by the technical offices.
 - Establish clear standards and guidelines on SOWs.

⁷⁷ Opportunities to Build Strong Foundations for Better Services Contracts, GAO-11-672, Aug 9, 2011.

⁷⁸ Opportunities to Build Strong Foundations for Better Services Contracts, GAO-11-672, Aug 9, 2011.

⁷⁹ Opportunities to Build Strong Foundations for Better Services Contracts, GAO-11-672, Aug 9, 2011.

⁸⁰ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁸¹ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

Implementation Progress to Date

1. USAID Updates/Revisions/Development of Policy
 - a. Issued partial revision to ADS Chapter 221, USAID's Procedures for Implementing International Agreements for Tied and Untied Aid, 2008.
 - b. Issued partial revision to ADS Chapter 301, Responsibility for Procurement, 2011:
 - The Agency is in the process of developing a new chapter in its guidance entitled "Acquisition and Assistance Planning." USAID expects the guidance to include acquisition plan formats that will be aligned with the FAR and that will be finalized by December 2012.
 - c. Issued partial revision to ADS Chapter 302, USAID Direct Contracting, 2012.
 - d. Issued partial revision to ADS Chapter 303, Grants and Cooperative Agreements to Non-Governmental Organizations, 2012:
 - Development of Fixed Obligation Grants (303.3.25).
 - e. Issued partial revision to ADS Chapter 304, Selecting between Acquisition and Assistance Instruments, 2012.
 - f. Issued revision to AIDAR, USAID Acquisition Regulation, 2012.
 - g. Issued AAPD 12-03 Revision to 22 CR 228 Source and Nationality Policy.
 - h. Developing guidance to CO/AOs on combating trafficking in persons to make them aware of changes in the FAR.
 - i. Finalizing a revision to Contractor Past Performance – identifying how the Agency is complying with the FAR.
2. Developed Standard Operating Procedures and Templates:
 - a. M/OAA Standard Operating Procedures – Guidance for Competitive RFA.
 - b. M/OAA Standard Operating Procedures – Guidance for Full and Open Competitive RFP.
 - c. M/OAA Standard Operating Procedures - Assistance Award Checklist.
 - d. M/OAA Standard Operating Procedures – Competitive Task Order.
 - e. M/OAA Standard Operating Procedures – Incremental Funding.
 - f. Agency-wide Acquisition and Assistance Planning Tool/Template.
 - g. M/OAA Checklists.

- h. M/OAA Acquisition and Assistance Self-Assessment.
 - i. M/OAA Independent Government Cost Estimate Guide and Template.
 - j. A&A Toolkit on the M/OAA internal website with resources, templates and standards.
 - k. M/OAA minimal acceptable standards/guidelines for
 - TEC Panel Instructions
 - Competitive Range Memo
3. M/OAA developed a CRB Review Checklist.
4. USAID has developed general standards for SOWs as part of its COR/AOR training courses and issued sector-specific guidance including ADS 203 regarding the development of a SOW for Evaluation efforts:
- a. The new policy identifies what should be included in a good evaluation SOW (203.3.1.5) as well as provides links to additional help such as:
 - Evaluation SOW Checklist;
 - Evaluation Good Practice Examples.

Actions Remaining

- 1. Coordinate with Agency staff in the areas of gender, disabilities, and other emphasis areas to update language/guidance on the importance of the required analyses.
- 2. Continue efforts to improve the contract-ability of SOW/PDFs.
 - a. Reduce the length of SOWs.
 - b. Increase training on Performance Based Work Statements and Statements of Objectives.
 - c. Address the tension that exists at USAID between the desire for a results-oriented SOW and the flexibility that is desired.

VII. Risk Management in Awards, Including Contract Review Boards and Management and Accountability of the Award Process.

Government-wide Policies Impacting USAID

The President's Memorandum on Government Contracting, issued on March 4, 2009, calls on federal agencies to improve the effectiveness of their acquisition practices and the results achieved by their contracts. The Memorandum issued by OMB on July 29, 2009 provides guidance to Heads of Departments and Agencies on reviewing existing contracts and acquisition practices. Agencies are encouraged to find savings through the implementation of more effective acquisition practices, including:

- Increasing the amount of attention paid early in the acquisition process to ensure sufficient internal capacity is in place or will be in place to effectively manage the contract;
- Instituting peer reviews at critical stages of high-priority acquisitions to bring the Agency's best expertise to bear to ensure effective execution of acquisition responsibilities; and
- Ensuring that systems are in place to review contract cost, schedule and performance goals on an on-going basis and that corrective actions are taken in a timely manner.⁸²

Recommendations from Studies

1. Reduce the use of high risk contracting authorities.⁸³
2. Promote competition.⁸⁴
3. Institute cost savings.⁸⁵
4. Improve the Contract Review Board (CRB) processes and procedures:
 - a. Monitoring of Performance:
 - i. Develop key metrics and a system to monitor CRB performance to include a process for systematically collecting data for accurate reporting; and
 - ii. Report on Issues and Trends on a semi-annual basis as per the Automated Directives System.⁸⁶
 - b. CRB Volume, Composition and Staffing:
 - i. Reduce the number of people serving on the CRB;
 - ii. Ensure that membership includes contracting and legal expertise, utilizing Washington and field staff; and

⁸² Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

⁸³ Ibid.

⁸⁴ Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

⁸⁵ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

⁸⁶ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

- iii. Assign the same members of the CRB to all review stages of a given action.⁸⁷
 - c. Inconsistent Quality of Review Packages:
 - i. Streamline CRB reviews based on the quality of the submissions and an initial assessment of potential risks.⁸⁸
- 5. Improve effectiveness and efficiency of award management process:
 - a. Review control environment and ensure plans are in place for achieving program objectives.
 - b. Develop and implement policies and procedures that are consistent to applicable Federal regulations, Agency directives and best practices to promote adequate grants management.
 - c. Implement a grants information management system that captures accurate, timely and useful information to facilitate proper grants management.
 - d. Develop and implement a monitoring plan that systematically identifies the most appropriate grantees for site visits using programmatic and financial risk factors.⁸⁹
- 6. Improve financial management of awards:
 - a. USAID's Management Bureau should implement a plan to prioritize conducting incurred cost audits.
 - b. M/OAA needs to reduce the backlog of incurred cost audits awaiting closeout by implementing a plan to contract with certified public accounting firms to supplement DCAA's efforts to perform incurred cost audits when feasible.
 - c. Document actions to enforce procedures for AOR/CORs to conduct adequate reviews of excess and unneeded funds prior to the closeout process.⁹⁰
- 7. Improve internal accountability in the award process
 - a. Identify responsible party for managing the end-to-end award process.
 - b. Conduct reviews of Acquisition and Assistance Plans including procurement plans at the operating unit level, and Agency Business Forecasts.
 - c. Establish clear standards for accountability for each level/type of the procurement workforce as part of the Annual Workforce Evaluation Forms of the Procurement Workforce and reinforce accountability standards through rewards and penalties.
 - d. Develop a Performance Management Plan (PMP) and tracking process for M/OAA to ensure time efficiency, high quality solicitations and customer satisfaction.⁹¹

⁸⁷ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁸⁸ Ibid.

⁸⁹ Inspector General Audit of the Management of Grants Awarded by USAID's Office of American Schools and Hospitals Abroad, Report No. 9-000-12-002-P, March 19, 2012.

⁹⁰ Survey of USAID's Efforts to Address its Backlog of Expired Awards, September 18, 2012, <http://oig.usaid.gov/sites/default/files/audit-reports/9-000-12-002-s.pdf>

8. Institute a formal process for institutional learning and organizational problem solving across the procurement workforce.⁹²
9. Improve award close-out process:
 - a. M/OAA should conduct a feasibility review of alternative closeout actions to improve the timeliness of award closeout based on guidance issued by the Office of Federal Procurement Policy and other best practices, and document the results.⁹³

Recommendations from Key Informant Interviews

1. Consider increasing risk management awareness and practices at USAID, including shifting the CRB from a culture of risk-aversion to risk management.⁹⁴

Implementation Progress to Date

1. Initiated in 2010, USAID's Acquisition Savings Plan yielded approximately \$171 million in cost savings or avoidance and reduced the number of new awards using high-risk contracting mechanisms by 21% in 2011.⁹⁵
2. USAID established the Board for Acquisition and Assistance Reform (BAAR) in 2010. The BAAR reviews any proposed sole source award over \$15 million. More importantly, Administrator Shah instituted a new policy wherein he must approve any sole source award (for contingency contracting) above \$20 million that serves as a follow-on activity. In its first year alone, the BAAR's recommendations resulted in a 31% increase (from 29 to 38 awardees) in the number of prime contract awards, representing a total combined ceiling of \$15.9 billion. The mere presence of the BAAR has led to a significant increase in competition and a broadening of the USAID partner base.⁹⁶
3. USAID created the Suspension and Debarment Task Force, spearheaded by the USAID Deputy Administrator and directly engaged with the SDO (Suspending and Debarring Official) and the Compliance Division. This task team convenes whenever an issue arises involving the potential waste, fraud, abuse, or poor performance of one of USAID's major partners. It serves as a real-time vehicle to keep the Administrator's office well informed of the situation and abreast of any actions taken by USAID or by the contractor.⁹⁷
4. USAID hired two permanent chairpersons of the Contract Review Board in August 2011.

⁹¹ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁹² USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

⁹³ Survey of USAID's Efforts to Address its Backlog of Expired Awards, September 18, 2012, <http://oig.usaid.gov/sites/default/files/audit-reports/9-000-12-002-s.pdf>

⁹⁴ Key Informant Interview, November 27, 2012.

⁹⁵ Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

⁹⁶ Ibid.

⁹⁷ Ibid.

5. Issued policy and guidelines for the Contract Review Board, articulated in ADS 302.
6. USAID developed guidelines for a new Acquisition and Assistance Board. The Acquisition and Assistance Board was created to ensure appropriate instrument selection and pricing arrangement. It was later determined that elements within the Contract Review Board should be enhanced before consideration of expanding it to Assistance awards.⁹⁸
7. M/OAA conducted operational and management retreats and established individual working groups on specific cross-functional issues.⁹⁹
8. USAID issued Agency Policy and Guidance:
 - A Project M&E Plan is a required component of the PAD, encouraging increased accountability and management of awards (ADS 201.3.9.4).
 - Evaluation policy and guidance included in ADS 203 can be directly linked to improved management and accountability. In particular, the guidance on when an evaluation is appropriate (ADS 203.3.1.3) includes triggers such as when Contractor Performance Evaluation required by the FAR (48 CFR Subpart 42.15) and USAID Acquisition Regulation (48 CFR 742.15) suggests there are implementation problems, unmet needs, or unintended consequences or impacts. In addition, ADS 203.3.1.10 outlines how evaluations should be communicated through the Operational Plan and submitted to the DEC. Awareness of past issues should help to improve accountability and performance in future awards.
 - Performance monitoring guidance increases management and accountability of awards (ADS 203.3.2.1).
 - Portfolio Reviews can be used for both increasing management/accountability of awards and planning for future awards. An integral part of the portfolio reviews process includes assessing performance to date, and planning for future A&A actions (ADS 203.3.12).
9. USAID's Bureau for Management provided initial funding to augment incurred cost audits. Further, USAID has proposed a Working Capital Fund to collect a one percent fee against each A&A award as it is obligated then use the WCF to support incurred cost audits in the future.
10. USAID reviewed the closeout best practice guide issued by the Office of Federal Procurement Policy and determined it was currently employing all suggested steps.
11. In order to ensure timely de-obligation of unliquidated balances related to A&A instruments managed by M/OAA, a special de-obligation team has been developed to identify and prioritize expired awards with large balances to be de-obligated ahead of the closeout cycle.

Actions Remaining

1. Ensure that clear and specific standards on procurement objectives have been developed and included in the Performance Plans and Annual Workforce Evaluation Forms of the Procurement workforce.
2. Continue to ensure that timely incurred cost audits are conducted.

⁹⁸ Inspector General, USAID's Most Serious Management and Performance Challenges FY2011.

⁹⁹ USAID, Bureau for Management, Office of Management Policy, Budget and Performance, December 3, 2010, Business Process Review of USAID's Procurement Management Functions: Procurement Planning and Full and Open Competitive Award Processes.

VIII. Agency-wide Management of the A&A Function

Government-wide Policies Impacting USAID, USAID Automated Directives System (ADS) Policies, and USAID Workforce Development through Joint Training

The Office of Management and Budget's July 29, 2009 Memo on Government Acquisition¹⁰⁰ identified the acquisition workforce to include contracting professionals, program managers and contracting officers technical representatives. USAID's programming policy codified in the ADS 200 series identifies the establishment of multi-disciplinary teams as an important means of integrating technical and transactional expertise in the USAID Program Cycle. Further, USAID's suite of requisite-based training offered by the Office of Human Resources under the Program/Project Development Training program (PPMT) enables joint training by USAID technical and A&A professionals.

Recommendations from Studies

1. Recognize contract personnel as key contributors to program success. Devote sustained high-level attention to the substance of program design, the selection of implementers, the post-award surveillance of performance, and the processes by which these are accomplished.¹⁰¹
2. Substantially increase and better train the direct-hire workforce; provide sufficient staff so that grant and contract operations can proceed appropriately.¹⁰²
3. Increase joint management and commitment of all Agency staff in the A&A process.¹⁰³
 - a. Improve communication between COs and the operating units.
 - b. Increase M Bureau leadership outreach with counterparts and at senior staff meetings.
 - c. Increase the practice of forming and using multi-disciplinary, multi-functional DO teams for all stages of the acquisition lifecycle.
 - d. Require team charters, terms of reference, etc. to support the formation and governance of multidisciplinary teams. This can also help to instill a higher level and expectation of commitment from team members
4. Consider the growth and development of the A&A workforce, which includes those individuals who contribute substantially to successful acquisition outcomes, such as contract specialists, program/project managers, and contracting officer technical representatives (COTRs), to improve overall agency performance.¹⁰⁴

¹⁰⁰ Director Peter R. Orszag to Heads of Departments and Agencies, July 29, 2009, Executive Office of the President, Office of Management and Budget, Improving Government Acquisition, M-09-25.

¹⁰¹ Helping to Enhance the Livelihood of People around the Globe (HELP) Commission Report, December 7, 2007.

¹⁰² Ibid.

¹⁰³ Federal Management Partners, Inc., USAID Management Bureau Assessment Recommendation Report, March 2008.

¹⁰⁴ Deputy Administrator Lesley A Field to Chief Acquisition Officers, Senior Procurement Executives, Chief Financial Officers and Chief Human Capital Officers, October 27, 2009, Executive Office of the President,

Recommendations from Key Informant Interviews

1. Increase understanding of non-M/OAA staff of the importance of the acquisition and assistance function and recognition of what is involved in being an A&A professional.
2. Focus on transaction numbers and identify opportunities to make reductions.
3. Develop opportunities for joint-training between M/OAA and non-M/OAA staff to help strengthen collaboration between technical and A&A personnel. Joint training focused on the A&A lifecycle, involving both technical and A&A personnel, would assist in strengthening the Agency-wide A&A workforce and increase technical officers' ability to develop and manage contract-able SOWs and PDFs, understand and manage the PALT, etc.
4. Evaluate M/OAA staff performance on their commitment to A&A processes and procedures as well as their collaboration with colleagues.¹⁰⁵

Implementation Progress to Date

1. Although some DO teams include non-technical staff, this is not always the case. Although the ADS strongly encourages operating units to establish multi-disciplinary and multi-functional Development Objective (DO) teams, and goes as far as requiring a written justification in the case that they are not used, the use of DO teams is not uniform throughout the Agency.
2. Opportunities exist for joint-training exist through the PPMT suite, but could be taken advantage of more fully.

Actions Remaining

1. Continue to increase awareness of government-wide and USAID policy on joint-management of A&A functions.
 - a. The acquisition workforce includes contracting professionals, program managers and COR/AORs.
 - b. The benefits of multi-disciplinary teams including non-technical staff.

IX. Policy Reform to Implement IPR

Implementation and Procurement Reform Objectives

Implementation and Procurement Reform (IPR) is one of seven priorities of USAID Forward, a set of reforms introduced by Administrator Shah. These reforms flow from the Administrator's vision for revitalizing USAID as the world's leader in foreign assistance, and are meant to help operationalize the Quadrennial Diplomacy and Development Review (QDDR) undertaken with the Department of State. IPR's six objectives are:

1. Strengthen Partner Capacity:
 - a. Increase use of partner country systems (through the use of Government to Government, or "G2G" mechanisms).
 - b. Enhance USAID governance programs.
2. Strengthen local civil society & private sector: Work with partners to increase capacity of local entities, and increase the number of partners.
3. Increase competition and USAID partner base: Increase awards for U.S. - based small, disadvantaged, women-owned businesses.
4. Use USG resources more effectively & efficiently: Increase the number of fixed price contracts, reduce "high risk" procurement methods, etc.
5. Strengthen collaboration with all donors: Increase USAID collaboration with bilateral, multilateral and international organizations.
6. Rebuild internal technical capacity/balance workforce: Prioritize recruitment of technical staff in key initiative areas, also contracting officers, etc.

New Legislation

1. Congress enacted Section 7077 in the 2012 Consolidated Appropriations Act (P.L. 112-74), which authorizes USAID to limit competition to local entities for contracts up to \$5 million if doing so would result in cost savings, develop local capacity, or enable USAID to initiate a program or activity in significantly less time than if competition were not limited.
2. Congress also passed the Section 7031 legislation as part of the 2012 Foreign Operations Appropriations Act, which restricts USAID's Government-to-Government assistance by requiring assessments, prior consultations, and reports on assistance projects greater than \$10 million, among other requirements.

Recommendations from Key Informant Interviews

1. Develop policies and procedures to implement the six objectives of IPR.
2. Streamline and solidify solicitation process for contracts and assistance instruments.
3. Develop an external site to communicate the outcomes of IPR more broadly.

Implementation Progress to Date

1. Revised the source and nationality procurement rules in 22 CFR 228.
 - a. Aligned USAID's rules to reflect statutory authority to procure under implementing agreements from the United States, the recipient country or developing countries.
 - b. Revised and issued supporting guidance in ADS 303, 310, 312.
 - i. Deleted ADS 311 in its entirety.
 - c. Processed a class deviation to the AIDAR to provide a revised clause for use in all new direct contract awards as an interim step to formally revising the AIDAR.¹⁰⁶
2. Revised the Exceptions to Competition for Assistance – ADS 303.
 - a. Allows exceptions to the competition requirement for first time prime awards to local partners that have demonstrated success as sub-recipients.
 - b. Provides guidance on a Non-US Organization Pre-Award Survey (NUPAS) Tool
3. Promulgated policy reforms to increase the number of fixed price contracts, which specifically:
 - a. Require that all new purchases of commodities and equipment are solicited and purchased through fixed price contracts.
 - b. Review the use of time and materials contracts for activities over 90 days.
 - c. Simplify process for Washington-based institutional support services and require that they all be contracted on a fixed price basis unless there is a compelling reason otherwise.
 - d. Require that all studies less than 3 months and evaluations overseas be contracted on a fixed price basis to the maximum extent practicable.
 - e. Review and revise authority of CORs to extend IDIQ task orders and LWA associate awards or determine length of awards.¹⁰⁷
4. Developed process and guidance for the Use of Partner Country Financial Management Systems:
 - a. Developed the Public Financial Management Risk Assessment Framework (PFMRAF) and Toolkit.
 - b. Issued ADS 220, which identifies the procedures for Assessing and Using Partner Country Systems for Direct Management and Implementation of Assistance.
 - c. Established the link between conducting the PFMRAF with the project planning guidance in ADS 201 (201.3.9.1).
5. Revised and streamlined the Fixed Obligation Grant (FOG) format
 - a. Issued Fixed Obligation Grants to Non-Governmental Organizations Guidance.
 - b. Issued policy on the use of FOGs (ADS 300.3.25).
6. Issued new ADS Chapter 351, Agreements with Bi-lateral Donors. This chapter streamlined the review of organizations as Public International Organizations (PIOs) and made negotiation of donor-to-donor agreements easier.

¹⁰⁶ USAID Agency General Notice "Issuance of USAID's new regulation, "Rules for Procurement Commodities and Services Financed by USAID" and associated ADS Chapters," February 2, 2012.

¹⁰⁷ USAID, Program Project Management Training, Acquisition and Assistance Management for Contracting Officer's Representatives and Agreement Officer's Representatives Participant Workbook, June 11, 2012 Version.

7. Established the Board for Acquisition and Assistance Reform (BAAR) in 2010. The BAAR reviews any proposed sole source award over \$15 million. More importantly, Administrator Shah instituted a new policy wherein he must personally approve any sole source award (for contingency contracting) above \$20 million that serves as a follow-on activity. In its first year alone, the BAAR's recommendations resulted in a 31% increase (from 29 to 38 awardees) in the number of prime contract awards, representing a total combined ceiling of \$15.9 billion. The mere presence of the BAAR has led to a significant increase in competition and a broadening of the USAID partner base.¹⁰⁸
8. Issued additional and more restrictive guidance on the use of Leader with Associates awards:
 - a. BAAR must review all LWAs with a combined ceiling of \$25 million or more.
 - b. Additional justification requirements are imposed for LWA's with a combined ceiling of \$75 or more.
 - c. The maximum duration of a Leader award is 5 years; for an Associate award it is 5 years from the date it is awarded. The Agreement Officer may extend at no additional cost either the leader or associate award for a maximum of 12 months. Funded extensions or no cost extensions cumulatively greater than 12 months must be submitted to the BAAR.
 - d. The BAAR must review LWAs regardless of size if field buy-ins are expected to exceed 25% of the Leader Award ceiling.
 - e. Any proposed buy-in under an LWA must have a detailed description of the work to be done, its timing, and estimated cost/budget.¹⁰⁹
9. Engaged in changes to approaches to new IDIQ solicitations to increase competition:
 - a. Establish guidance on breaking up procurements into smaller contracts.
 - b. Limit IDIQ scopes to one development sector and one geographic bureau where possible.
 - c. Formulate policy guidelines on when to use IDIQ rather than a stand-alone contract.
 - d. Set individual task order ceilings under IDIQ for 2011.
 - e. Eliminate 3 year extension option at the end of 5-year IDIQ.¹¹⁰
10. Issued small business policy that requires managers to 'make positive efforts to identify potentially qualified small and minority business firms during pre-contract development of activities and shall, with the responsible COs, assure that such firms are given full opportunity to participate equitably' (AIDAR 719.271-5).
11. The Office of Small and Disadvantaged Business Utilization (OSDBU) developed a new process to monitor subcontracting compliance by large USAID prime contractors.
 - a. COs must submit Subcontracting Plans they have received from Prime Contractors to OSDBU for review and coordination.

¹⁰⁸ Subcommittee on Contracting Oversight, Committee on Homeland Security and Governmental Affairs United States Senate, Statement by Angelique M. Crumbly, Acting Assistant to the Administrator, US Agency for International Development, Bureau for Management, April 17, 2012.

¹⁰⁹ USAID, Program Project Management Training, Acquisition and Assistance Management for Contracting Officer's Representatives and Agreement Officer's Representatives Participant Workbook, June 11, 2012 Version.

¹¹⁰ Ibid.

- b. OSDBU will then monitor subcontracting compliance from the date the subcontracting plan is received through contract close-out.
- 12. All Missions and B/IOs are required to develop an Acquisition and Assistance Plan and update it quarterly. This allows senior leadership to evaluate whether or not the Agency is meeting IPR goals.
- 13. Issued Programming Policy that includes guidance for implementation and procurement reform:
 - a. Missions should think beyond acquisition and assistance when considering the range of implementing options during the project design phase in order to achieve maximum development impact for invested resources (ADS 200.3.5.4).
 - b. In developing a Results Framework and supporting narrative, the Mission should demonstrate how it is integrating USAID Forward, including working through host country systems, developing the capacity of civil society and private sector partners, and advancing the use of science, technology and innovation (ADS 201.3.3.3).
 - c. Additional principles of project design include broadening the range of implementing options to be considered (ADS 201.3.8.5).
- 14. Developed internal USAID/Forward IPR website to serve as a repository of information and resources related to IPR.¹¹¹
- 15. Issued partially revised on ADS 302, Direct Contracting to reflect changes for acquisition competition in support of IPR.¹¹²
- 16. Issued guidance to implement Section 7077 in the 2012 Consolidated Appropriations Act (P.L. 112-74) to Regional Legal Advisors.

Actions Remaining

- 1. Aggressively continue to enhance and advance all of the IPR goals and communicate outcomes broadly.

¹¹¹ USAID Agency General Notice "USAID Forward: Implementation and Procurement Reform (IPR) --- New Website and Detailed Information on Implementation and Procurement Reform," April 12, 2012.

¹¹² USAID Agency General Notice "Partial Revision to ADS 302 Direct Contracting, Reflecting Changes to Acquisition Competition Policy," July 31, 2012.

APPENDICES

A. SCOPE OF WORK

B. PERSONS CONTACTED

C. REFERENCES

APPENDIX A. SCOPE OF WORK

PURPOSE

The purpose of this Task Order is to perform a meta-study that will review the past audits, formal and informal studies, and procurement policy changes that have been completed on USAID Acquisition and Assistance (A&A) Operations during the last five years.

This SOW will achieve the following objectives:

- Consolidate and document the recommendations presented and changes completed in the period of 2007-2012 (calendar years).
- Prioritize the essential elements (programs, initiatives, resources) that must be completed and in place for M/OAA to effectively lead the A&A function in the Agency.
- Document current progress toward prioritized essential elements.

B. DESCRIPTION — Study of Agency A&A Functions

Several internal and external studies of USAID A&A Operations have been completed in the last five years. M/OAA has adopted many new recommendations from these studies as well from Implementation and Procurement Reform Initiatives (IPRI). Progress has been made on a variety of recommendations, but a documented list of essential elements to be tracked toward final results is required. Specific focus areas to be reviewed include:

1. Organizational structure of M/OAA
2. World-wide staffing needs for Contracting Officers
3. Acquisition & Assistance Planning
4. Procurement Administrative Lead Time (PALT)
5. Training and competency development of USAID staff in procurement and technical offices on procurement functions
6. Standards, Guidelines and Templates for A&A
7. Risk management in awards including Contract Review Boards and management and accountability of the award process
8. The Agency-wide management of the A&A function
9. Policy reform to implement IPRI

I. Task: Study of Agency A&A Functions

The required components of this Task are as follows:

Component 1: Review and Summarize Studies

The Contractor shall review and summarize the recommendations from past audits, formal and informal studies, and procurement policy changes that have

been completed on USAID Acquisition and Assistance (A&A) Operations during the last five calendar years (2007-2012). The summary should follow the framework of specific focus areas described below in Component 2. An initial review will refine the scope of the documents to be included in the study.

Review documents shall include:

- GAO Audits
- USAID Office of the Inspector General (OIG) Audits
- USAID Business Process Review of Procurement Management Functions
- USAID Proposed Reorganization of M/OAA
- USAID Policy, particularly new/revised ADS chapters
- External commission reports on USAID operations

USAID estimates the initial broad review to provide a proposed bibliography for the study shall include up to fifty (50) documents.

USAID estimates the study shall include review of up to twenty (20) documents.

A limited number of interviews with USAID personnel may be necessary. If these are necessary they will be scheduled through the USAID COR. USAID estimates the review may include eight (8) interviews with USAID personnel, each lasting no longer than one hour. When interviews are scheduled, notes on the interviews shall be included as an annex to the report.

Component 2: Prioritize Recommendations and Report Preparation

The Contractor shall, based on the review and summary, prioritize the essential elements (programs, initiatives, resources) that must be completed and in place for M/OAA to effectively lead the A&A function in the Agency. Prepare a report on the essential elements prioritized from the review, which outlines specific recommendations and progress toward those recommendations in the following focus areas:

1. Organizational structure of M/OAA
2. World-wide staffing needs for Contracting Officers
3. Acquisition & Assistance Planning
4. Procurement Administrative Lead Time (PALT)
5. Training and competency development of USAID staff in procurement and technical offices on procurement functions
6. Standards, Guidelines and Templates for A&A
7. Risk management in awards including Contract Review Boards and management and accountability of the award process
8. The Agency-wide management of the A&A function
9. Policy reform to implement IPRI

C. REQUIREMENTS

1. **Work Plan.** Within five (5) business days of Notice of Award, the Contractor shall provide USAID with a Work Plan, including timeline, for the delivery of the report. The final Plan shall be submitted within three (3) business days following receipt of USAID comments.
2. **Proposed Bibliography.** Within five (5) business days of Notice of Award, the Contractor shall provide a full bibliography of all documents reviewed and a proposed bibliography for the study including no more than twenty (20) documents that will be included in the study. The final proposed bibliography shall be submitted within one (1) business day following receipt of USAID comments.
3. **Draft Report Delivery.** Within twenty-five (25) days of Notice of Award, the Contractor shall deliver a draft report of approximately twenty-five (25) pages (excluding annexes) summarizing the studies, reviews and policy changes on USAID A&A Operations within the last five calendar years (2007-2012) and the current status of implementation of each recommendation considered essential for efficient and effective A&A functions. Annexes are not required for the draft report.
4. **Final Report Delivery.** Within thirty (30) days of Notice of Award, the Contractor shall deliver a report of approximately twenty-five (25) pages (excluding annexes) summarizing the studies, reviews and policy changes on USAID A&A Operations within the last five calendar years (2007-2012) and the current status of implementation of each recommendation considered essential for efficient and effective A&A functions. Notes on any interviews and bibliographies will be included as annexes to the report.
5. **Executive Summary.** Within thirty (30) days of Notice of Award, the Contractor shall deliver an executive summary of the report findings of two (2) pages or less.
6. **Presentation of Key Findings.** Within thirty (30) days of Notice of Award, the Contractor shall deliver a twenty (20) minute presentation of the key findings. The presentation shall be delivered in PowerPoint. It will be presented by the Contractor to the COR and USAID staff and include comprehensive talking points that are suitable for re-delivery by USAID.

APPENDIX B. PERSONS CONTACTED

U.S. Agency for International Development

Subhi Mehdi, Performance Division Chief, Office of Management Policy, Budget and Performance, Bureau for Management

U.S. Agency for International Development

Chris Meservy, Performance Division, Office of Management Policy, Budget and Performance, Bureau for Management

U.S. Agency for International Development

Albert Moesle, Policy Division, Office of Management Policy, Budget and Performance, Bureau for Management

U.S. Agency for International Development

Angelique Crumbly, Acting Assistant to the Administrator, Bureau for Management

U.S. Agency for International Development

Diane Howard, Policy Division Chief, Office of Acquisition and Assistance, Bureau for Management

U.S. Agency for International Development

Eric Postel, Assistant Administrator, Bureau for Economic Growth, Education and Environment

U.S. Agency for International Development

Neil Price, Deputy Director of Foreign Operations, Office of Acquisition and Assistance, Bureau for Management

U.S. Agency for International Development

Mark Walther, Deputy Director of Operations, Office of Acquisition and Assistance, Bureau for Management

U.S. Agency for International Development

Jean Horton, Ombudsman, Office of Acquisition and Assistance, Bureau for Management

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